OFFICE OF LEGISLATIVE RESEARCH PUBLIC ACT SUMMARY



PA 11-34—HB 5184

Public Safety and Security Committee Planning and Development Committee

AN ACT PERMITTING THE MAILING OF RAFFLE TICKETS AND THE USE OF COUPONS AS INCENTIVES TO PURCHASE RAFFLE TICKETS

SUMMARY: This act allows a qualified organization conducting a raffle under the required town permit to promote the raffle by offering coupons to ticket buyers. The act defines "coupon" as a ticket, form, or document redeemable for merchandise, tangible personal property, services, or transportation on a common carrier, or for discounts on any of these.

The act also allows organizations to mail raffle tickets to residents of a town that has adopted the Bazaar and Raffle Act, provided the phrase "no purchase necessary to enter the raffle" is printed on the tickets.

EFFECTIVE DATE: October 1, 2011

BACKGROUND

Organizations Qualified to Conduct Raffles

By law, the following may conduct, operate, or sponsor bazaars or raffles if the town where they are located has adopted the Bazaar and Raffle Act: veterans', religious, civic, fraternal, educational, and charitable organizations; volunteer fire companies; and political parties and their town committees. Raffles may also be promoted and conducted if sponsored by towns acting through a designated centennial, bicentennial, or other centennial celebration committee. To conduct a bazaar or raffle, an organization must have a permit from the town where the raffle or bazaar will take place.

Mailing Gambling Material

According to a U.S. Postal Service ruling, raffles that incorporate "prize," "chance," and "consideration" are considered lotteries under federal law and postal standards. Tickets for such raffles are considered unlawful matter and mailing them is a violation. But when any of these three elements is eliminated, the arrangement does not constitute a lottery for postal purposes. According to the ruling, consideration "is eliminated if persons may enter without payment of a fee. Thus, a nonprofit organization that designs a raffle where it is clear that a donation is not required (e.g., via a check box, "Please enter my name in the drawing. I do not wish to make a donation at this time") to participate in the raffle may use the mail to distribute the tickets for that raffle" (PS 307 601.13.3).

OLR Tracking: VR:JKL:PF:df